

**Monthly Operating Report**  
**ACCRUAL BASIS**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054
<b>JUDGE:</b>	Stacey Jernigan

**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN & EASTERN DISTRICTS OF TEXAS**  
**REGION 6**

**MONTHLY OPERATING REPORT**

**MONTH ENDING:** August 2020  
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

**RESPONSIBLE PARTY:**

  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

James Seery

PRINTED NAME OF RESPONSIBLE PARTY

Chief Restructuring Officer/ Chief Executive Officer  
TITLE

9-30-20  
DATE

**PREPARER:**

  
ORIGINAL SIGNATURE OF PREPARER

Frank Waterhouse

PRINTED NAME OF PREPARER

Chief Financial Officer  
TITLE

9.30.20  
DATE

**EXHIBIT**  
**SE29**

**Monthly Operating Report**  
ACCRUAL BASIS-1

<b>CASE NAME:</b>	Highland Capital Management, LP
<b>CASE NUMBER:</b>	19-12239-CSS

**Comparative Balance Sheet**  
(in thousands)

	<u>10/15/2019</u>	<u>12/31/2019 <sup>(6)</sup></u>	<u>8/31/2020 <sup>(6)</sup></u>
<b>Assets</b>			
Cash and cash equivalents	2,529	9,501	10,026
Investments, at fair value <sup>(3)</sup>	232,620	232,820	106,939
Equity method investees <sup>(3)</sup>	161,819	183,529	100,877
Management and incentive fee receivable	2,579	1,929	2,541
Fixed assets, net	3,754	3,521	2,899
Due from affiliates <sup>(1)</sup>	151,901	146,276	152,160
Reserve against notes receivable		(57,963)	(59,016)
Other assets	11,311	11,463	12,369
<b>Total assets</b>	<u><u>\$ 566,513</u></u>	<u><u>\$ 531,076</u></u>	<u><u>\$ 328,795</u></u>
<b>Liabilities and Partners' Capital</b>			
Pre-petition accounts payable <sup>(4)</sup>	1,176	1,141	1,051
Post-petition accounts payable <sup>(4)</sup>	-	2,042	1,114
Secured debt:			
Frontier	5,195	5,195	5,195
Jefferies	30,328	30,020	-
Accrued expenses and other liabilities <sup>(4)</sup>	59,203	63,275	58,096
Accrued re-organization related fees <sup>(5)</sup>	-	5,547	5,869
Claim accrual <sup>(2)</sup>	73,997	73,997	73,997
Partners' capital	396,614	349,857	183,472
<b>Total liabilities and partners' capital</b>	<u><u>\$ 566,513</u></u>	<u><u>\$ 531,076</u></u>	<u><u>\$ 328,795</u></u>

<sup>(1)</sup> Includes various notes receivable at carrying value, except note due from Hunter Mountain Investment Trust which is fully reserved against (\$59M reserve). Fair value has not been determined with respect to any of the notes.

<sup>(2)</sup> Uncontested portion of Redeemer claim less applicable offsets. Potential for additional liability based on future events. No interest has been accrued beyond petition date. No additional accruals will be made on settlement claims until further approval by the court.

<sup>(3)</sup> Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

<sup>(4)</sup> Note on accruals: expenses recorded in Accounts Payable and Accrued Expenses and Other Liabilities reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices. For balance sheet dates other than the Petition Date, amounts include both pre-petition and post-petition liabilities.

<sup>(5)</sup> Beginning December 31st, 2019, Debtor accrued for post-petition re-organization fees based upon an estimate of fees incurred to date.

<sup>(6)</sup> All balances at December 31st, 2019 are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, balances for subsequent months have and will fluctuate.

**Monthly Operating Report**  
**ACCRUAL BASIS-2**

<b>CASE NAME:</b>	<b>Highland Capital Management, LP</b>	
<b>CASE NUMBER:</b>	<b>19-12239-CSS</b>	

**Income Statement<sup>1</sup>**  
(in thousands)

	<b>Date</b>	<b>Filing to Year Ended <sup>(4)</sup></b>	<b>Month ended <sup>(4)</sup></b>	<b>Filing to date <sup>(4)</sup></b>
	<b>10/16/19 - 10/31/19</b>	<b>2019</b>	<b>8/31/2020</b>	
<b>Revenue:</b>				
Management fees	975	4,528	887	17,498
Shared services fees	283	1,588	603	6,603
Other income	99	1,582	34	4,658
<b>Total operating revenue</b>	<b>1,357</b>	<b>7,697</b>	<b>1,524</b>	<b>28,758</b>
<b>Operating expenses:</b>				
Compensation and benefits	997	1,498	1,890	14,111
Professional services	256	64	384	1,973
Investment research and consulting	10	266	4	718
Marketing and advertising expense	-	370	33	485
Depreciation expense	82	244	77	863
Bad debt expense reserve	-	8,410	1,053	9,462
Other operating expenses	201	1,265	519	4,248
<b>Total operating expenses</b>	<b>1,545</b>	<b>12,118</b>	<b>3,960</b>	<b>31,861</b>
<b>Operating income/(loss)</b>	<b>(188)</b>	<b>(4,421)</b>	<b>(2,436)</b>	<b>(3,103)</b>
<b>Other income/expense:</b>				
Interest income	250	1,230	498	5,128
Interest expense	(107)	(286)	(22)	(654)
Reserve against notes receivable	-	(57,963)	-	(57,963)
Re-org related expenses <sup>(2)</sup>	-	(5,547)	(1,276)	(24,983)
Independent director fees	-	-	(330)	(1,947)
Other income/expense	32	32	(6)	(138)
<b>Total other income/expense</b>	<b>175</b>	<b>(62,534)</b>	<b>(1,135)</b>	<b>(80,557)</b>
Net realized gains/(losses) on investments	339	618	(310)	(28,872)
Net change in unrealized gains/(losses) of investments <sup>(3)</sup>	2,654	(955)	(4,369)	(38,326)
	<b>2,993</b>	<b>(337)</b>	<b>(4,679)</b>	<b>(67,198)</b>
<b>Net earnings/(losses) from equity method investees <sup>(3)</sup></b>	<b>(20)</b>	<b>14,918</b>	<b>1,129</b>	<b>(67,901)</b>
<b>Net income/(loss)</b>	<b>\$ 2,959</b>	<b>\$ (52,374)</b>	<b>\$ (7,121)</b>	<b>\$ (218,759)</b>

(1) Note on accruals: expenses recorded in the Income Statement reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices.

(2) Debtor funded various retainers totaling \$790k prior to the petition date, which were entirely expensed as of the petition date.

(3) Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

(4) All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, operating results will change as these entries are made.

**Monthly Operating Report**  
**ACCRUAL BASIS-3A**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

<b>CASH RECEIPTS AND DISBURSEMENTS</b>	<b>FILING TO YEAR END 2019</b>	<b>QUARTER</b>	<b>QUARTER</b>	<b>AUGUST</b>
1. CASH - BEGINNING OF MONTH	\$ 2,554,230	\$ 9,501,409	\$ 12,532,467	\$ 9,823,726
<b>RECEIPTS FROM OPERATIONS</b>				
2. OTHER OPERATING RECEIPTS	\$ 1,862,757	\$ 1,379,338	\$ 2,983,221	\$ 784,607
3. MANAGEMENT FEES AND OTHER RELATED RECEIPTS	\$ 3,156,742	\$ 7,555,297	\$ 6,179,437	\$ 2,762,104
<b>COLLECTION OF ACCOUNTS RECEIVABLE</b>				
4. PREPETITION <sup>1</sup>	\$ 3,593,108	\$ 76,569	\$ 3,727	\$ -
5. POSTPETITION <sup>1</sup>	\$ -	\$ -	\$ -	\$ -
6. TOTAL OPERATING RECEIPTS	\$ 8,612,608	\$ 9,011,204	\$ 9,166,385	\$ 3,546,711
<b>NON-OPERATING RECEIPTS</b>				
7. THIRD PARTY FUND ACTUAL/EXPECTED DISTRIBUTIONS	\$ 423,468	\$ 18,992,786	\$ 797,571	\$ 220,898
8. DIVS, PAYDOWNS, MISC FROM INVESTMENT ASSETS	\$ 1,338,069	\$ 477,479	\$ 74,376	\$ 1,770
9. OTHER (ATTACH LIST)	\$ 3,390,286	\$ 1,407,103	\$ 10,010,000	\$ 5,000,000
10. TOTAL NON-OPERATING RECEIPTS	\$ 5,151,822	\$ 20,877,369	\$ 10,881,947	\$ 5,222,668
11. TOTAL RECEIPTS	\$ 13,764,430	\$ 29,888,573	\$ 20,048,331	\$ 8,769,379
12. TOTAL CASH AVAILABLE				\$ 18,593,105
<b>OPERATING DISBURSEMENTS</b>				
13. PAYROLL, BENEFITS, AND TAXES + EXP REIMB	\$ 3,776,446	\$ 8,825,042	\$ 4,886,314	\$ 5,135,559
14. SINGAPORE SERVICE FEES	\$ 95,118	\$ 58,129	\$ 2,965	\$ -
15. HCM LATIN AMERICA	\$ 200,000	\$ 100,000	\$ -	\$ -
16. THIRD PARTY FUND CAPITAL CALL OBLIGATION	\$ 1,426,987	\$ 7,812,469	\$ 3,087,163	\$ -
17. UTILITIES	\$ -	\$ -	\$ -	\$ -
18. INSURANCE	\$ -	\$ 533,940	\$ 376,376	\$ 163,400
19. INVENTORY PURCHASES	\$ -	\$ -	\$ -	\$ -
20. VEHICLE EXPENSES	\$ -	\$ -	\$ -	\$ -
21. TRAVEL	\$ -	\$ -	\$ -	\$ -
22. ENTERTAINMENT	\$ -	\$ -	\$ -	\$ -
23. REPAIRS & MAINTENANCE	\$ -	\$ -	\$ -	\$ -
24. SUPPLIES	\$ -	\$ -	\$ -	\$ -
25. ADVERTISING	\$ -	\$ -	\$ -	\$ -
26. OTHER (ATTACH LIST)	\$ 1,318,700	\$ 3,283,898	\$ 3,195,054	\$ 1,091,762
27. TOTAL OPERATING DISBURSEMENTS	\$ 6,817,251	\$ 20,613,478	\$ 11,547,870	\$ 6,390,721
<b>REORGANIZATION EXPENSES</b>				
28. PROFESSIONAL FEES	\$ -	\$ 5,460,546	\$ 5,572,032	\$ 1,689,437
29. U.S. TRUSTEE FEES	\$ -	\$ 68,173	\$ 167,025	\$ 277,420
30. OTHER (ATTACH LIST)	\$ -	\$ 715,317	\$ 300,000	\$ 210,000
31. TOTAL REORGANIZATION EXPENSES	\$ -	\$ 6,244,037	\$ 6,039,057	\$ 2,176,857
32. TOTAL DISBURSEMENTS	\$ 6,817,251	\$ 26,857,515	\$ 17,586,927	\$ 8,567,577
33. NET CASH FLOW	\$ 6,947,179	\$ 3,031,058	\$ 2,461,404	\$ 201,802
34. CASH - END OF MONTH	\$ 9,501,409	\$ 12,532,467	\$ 14,993,872	\$ 10,025,528

<sup>1</sup> All postpetition receipts are included in line 3, Management Fees and Other Related Receipts.

**Monthly Operating Report**  
**ACCRUAL BASIS-3B**

<b>CASE NAME:</b>	<b>Highland Capital Management</b>
<b>CASE NUMBER:</b>	<b>19-34054</b>

**NON-OPERATING RECEIPTS - OTHER**

<b>Date</b>	<b>Amount</b>	<b>Type</b>
	5,000,000.00	Sale of Various Jefferies Assets

**OPERATING DISBURSMENTS - OTHER**

<b>Date</b>	<b>Amount</b>	<b>Vendor</b>
8/7/2020	165,619.98	Hunton Andrews Kurth, LLP
8/7/2020	3,573.58	AT&T
8/7/2020	31,709.37	CDW Direct
8/7/2020	120.60	Iron Mountain Records Management
8/7/2020	47,647.36	Houlihan Lokey
8/7/2020	17,070.36	AT&T
8/7/2020	3,176.25	Centroid
8/7/2020	1,322.32	Canteen Vending Services
8/7/2020	1,693.03	NetWrix Corporation
8/7/2020	5,884.76	ABM
8/7/2020	10,468.52	Bloomberg Finance LP
8/7/2020	225.16	Four Seasons Landscaping, LLC
8/7/2020	94.07	Chase Couriers, Inc
8/7/2020	350.00	Crescent Research
8/7/2020	11,887.73	Flexential Colorado Corp.
8/7/2020	2,075.52	NYSE Market, Inc
8/5/2020	2,724.99	Iron Mountain Records Management
8/4/2020	31,747.76	Third party Consultant
8/3/2020	7,069.59	MacroMavens, LLC
8/3/2020	2,531.35	Siepe Services, LLC
8/3/2020	158,601.09	Crescent TC Investors LP
8/3/2020	25,000.00	InsiderScore, LLC
8/4/2020	335.80	ATT Payment
8/12/2020	92,000.00	American Arbitration Association
8/14/2020	4,918.34	Liberty Life Assurance Company of Boston - Group Benefits
8/14/2020	660.00	Centroid
8/14/2020	2,878.44	Grubhub for Work
8/14/2020	1,535.27	Canteen Vending Services
8/14/2020	2,668.57	Iron Mountain Records Management
8/14/2020	567.13	Arkadin, Inc.
8/14/2020	3,818.42	ICE Data Pricing & Reference Data, LLC
8/14/2020	8,119.62	Concur Technologies, Inc.
8/14/2020	1,224.93	Oak Cliff Office Products
8/14/2020	772.33	UPS Supply Chain Solutions
8/14/2020	4,932.20	Thomson West
8/14/2020	718.35	ProStar Services, Inc
8/14/2020	810.84	DTCC ITP LLC
8/14/2020	1,242.42	Options Price Reporting Authority
8/14/2020	342.18	Verity Group
8/14/2020	18,765.08	Ace Parking Management Inc.
8/14/2020	3,031.00	Daltex Janitorial Services, LLC
8/14/2020	690.00	Action Shred of Texas
8/14/2020	265.48	American Solutions for Business
8/21/2020	314,488.40	Bloomberg Finance LP
8/21/2020	35,200.00	Intex Solutions, Inc.
8/21/2020	137.50	AT&T
8/21/2020	339.54	UPS Small Package
8/21/2020	390.78	Four Seasons Landscaping, LLC
8/21/2020	516.57	Laser Works, Inc dba Verity Group
8/21/2020	528.00	Ace Parking Lot 3749
8/21/2020	978.62	CDW Direct LLC
8/21/2020	1,028.73	Iron Mountain
8/21/2020	1,381.40	Compass Group USA dba Canteen
8/21/2020	1,388.97	DTCC ITP LLC
8/21/2020	1,969.46	Standard Insurance Company
8/21/2020	2,373.40	Prostar Services Inc.
8/21/2020	2,845.06	Dawn US Holdings LLC
8/21/2020	3,192.11	Oak Cliff Office Supply & Printing
8/21/2020	3,889.87	Third party Consultant
8/21/2020	3,963.84	GrubHub for Work
8/21/2020	4,894.41	Liberty Life Assurance Co of Boston
8/21/2020	7,120.89	NYSE Market (DE), Inc.
8/19/2020	325.00	USI Southwest, Inc.
8/18/2020	2,082.70	Zayo group
8/18/2020	332.02	East West Bank
8/17/2020	870.41	ATT
8/25/2020	362.91	Xerox Corporation
8/25/2020	9,005.07	Visa Payment
8/31/2020	11,000.00	Third party Consultant
8/31/2020	266.65	Directv, LLC
	1,091,762	

**REORGANIZATION EXPENSES - OTHER**

<b>Date</b>	<b>Amount</b>	<b>Description</b>
8/3/2020	30,000	Nelms and Associates
8/3/2020	150,000	J.P. Seery & Co. LLC
8/3/2020	30,000	Dubel & Associates, L.L.C.
	210,000	

**Monthly Operating Report**  
**ACCRUAL BASIS-4**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

MGMT FEE RECEIVABLE AGING <sup>2</sup>		May <sup>3</sup>	June <sup>3</sup>	July <sup>3</sup>	August <sup>3</sup>
1.	0-30	\$ 1,839,132	\$1,813,292	\$2,428,715	\$998,818
2.	31-60		\$1,163,000	\$1,285,718	\$770,000
3.	61-90				
4.	91+				\$772,384
5.	TOTAL MGMT FEE RECEIVABLE	\$ 1,839,132	\$ 2,976,292	\$ 3,714,432	\$2,541,202
6.	AMOUNT CONSIDERED UNCOLLECTIBLE				
7.	MGMT FEE RECEIVABLE (NET)	\$ 1,839,132	\$ 2,976,292	\$ 3,714,432	\$2,541,202

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: August 2020		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE	\$930,656	\$12,140	\$26,596	\$144,936	\$1,114,328

STATUS OF POSTPETITION TAXES <sup>1</sup>		MONTH: August 2020		
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
<b>FEDERAL</b>				
1. WITHHOLDING				\$0
2. FICA-EMPLOYEE				\$0
3. FICA-EMPLOYER				\$0
4. UNEMPLOYMENT				\$0
5. INCOME				\$0
6. OTHER (ATTACH LIST)				\$0
7. TOTAL FEDERAL TAXES	\$0	\$0	\$0	\$0
<b>STATE AND LOCAL</b>				
8. WITHHOLDING				\$0
9. SALES				\$0
10. EXCISE				\$0
11. UNEMPLOYMENT				\$0
12. REAL PROPERTY	\$0	\$0	\$0	\$0
13. PERSONAL PROPERTY				\$0
14. OTHER (ATTACH LIST)				\$0
15. TOTAL STATE & LOCAL	\$0	\$0	\$0	\$0
16. TOTAL TAXES	\$0	\$0	\$0	\$0

- 1 The Debtor funds all state and federal employment taxes to Paylocity, who files all required federal and state related employment reports and withholdings.
- 2 Aging based on when management fee is due and payable.
- 3 All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process.

**Monthly Operating Report**  
ACCRUAL BASIS-5

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

MONTH: August 2020

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	Account #4	Account #5	Account #6	
A. BANK:	East West Bank	East West Bank	Maxim Group	Jefferies LLC	Nexbank	East West Bank	
B. ACCOUNT NUMBER:	x4686	x4693	x1885	x0932	x5891	x5848	TOTAL
C. PURPOSE (TYPE):	Operating	Insurance	Brokerage	Brokerage	CD	Prepaid Card	
1. BALANCE PER BANK STATEMENT <sup>1</sup>	\$ 9,718,445	\$ 69,399	\$ 30	\$ -	\$ 137,929	\$ 100,044	\$ 10,025,848
2. ADD: TOTAL DEPOSITS NOT CREDITED							\$ -
3. SUBTRACT: OUTSTANDING CHECKS	\$ 320						\$ 320
4. OTHER RECONCILING ITEMS							\$ -
5. MONTH END BALANCE PER BOOKS	\$ 9,718,125	\$ 69,399	\$ 30	\$ -	\$ 137,929	\$ 100,044	\$ 10,025,527
6. NUMBER OF LAST CHECK WRITTEN	100510	n/a	n/a	n/a	n/a	n/a	

INVESTMENT ACCOUNTS	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER				
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$0
13. TOTAL CASH - END OF MONTH	\$10,025,527

<sup>1</sup> Account x6342 is now closed.

**Monthly Operating Report**  
**ACCRUAL BASIS-6**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

MONTH: August 2020

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

<b>INSIDERS</b>				
	NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID POST PETITION
1	Frank Waterhouse	Salary	\$33,333	\$327,083
2	Frank Waterhouse	Expense Reimbursement	\$457	\$5,111
3	Scott Ellington	Salary	\$37,500	\$393,750
4	Scott Ellington	Expense Reimbursement	\$594	\$5,843
5	James Dondero	Salary	\$0	\$129,972
6	James Dondero	Expense Reimbursement <sup>1</sup>	\$0	\$16,918
7	Thomas Surgent	Salary	\$33,333	\$350,000
8	Thomas Surgent	Expense Reimbursement	\$224	\$3,766
9	Trey Parker	Salary	\$0	\$131,250
10	Trey Parker	Expense Reimbursement	\$0	\$6,212
<b>TOTAL PAYMENTS TO INSIDERS</b>			<b>\$105,441</b>	<b>\$1,369,904</b>

<sup>1</sup> The total amount of reimbursements during the reporting month also included \$6,981 for use of the credit card by the Debtor for office related expenses such as subscriptions, vending supplies, and IT equipment/software.

PROFESSIONALS <sup>2</sup>						
NAME		DATE OF MONTHLY FEE APPLICATION	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1.	Kurtzman Carson Consultants LLC		39,720	39,720	490,555	41,966
2.	Sidley Austin LLP		499,548	499,548	4,992,773	1,112,556
3.	Young Conaway Stargatt & Taylor LLP			-	281,156	-
4.	FTI Consulting, Inc.		225,205	225,205	2,980,959	708,379
5.	Pachulski Stang Ziehl & Jones LLP		658,235	658,235	7,151,891	1,288,329
6	Hayward & Associates PLLC		-	-	195,676	41,158
7	Development Specialists, Inc.		249,391	249,391	2,113,396	237,828
8	Foley & Lardner LLP		17,337	17,337	464,294	119,516
9	Mercer (US) Inc.		-	-	115,956	54,328
TOTAL PAYMENTS TO PROFESSIONALS				\$1,689,437	\$18,786,656	\$3,604,059

<sup>2</sup> Does not include payments to ordinary course professionals.

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

	NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.	Crescent TC Investors LP (rent portion only)	130,364	130,364	-
2.				
3.				
4.				
5.				
6.	<b>TOTAL</b>	<b>130,364</b>	<b>\$130,364</b>	<b>\$0</b>



## Monthly Operating Report ACCRUAL BASIS-7

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

**MONTH:** August 2020

### QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		x
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		x
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?	x	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		x
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		x
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		x
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		x
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		x
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		x
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		x
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		x
12. ARE ANY WAGE PAYMENTS PAST DUE?		x

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

3 Debtor generates fee income and other receipts from various related parties in normal course, see cash management motion for further discussion.

### INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	x	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	x	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY